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COUNTRY

SUBJECT

INFO. 25×1,4 **ACQUIRED**

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CENTRAL INTELLIGENCE AGENCY

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	SECURITY INFORMA	TION			
INFOR	MATION	REPORT	REPORT NO.		25X1A
			CD NO.	**	
China Cotton Textile Industry in			DATE DISTR.	16 May 1952	
			NO. OF ENCL	S.	
			SUPPLEMENT REPORT NO.	ТО	

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THIS IS UNEVALUATED INFORMATION

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- 1. The status of the cotton textile industry in China during 1951 was as follows:
 - a. 5,150,000 spindles and 170,000 looms were in operation.
 - b. A shortage of raw cotton suspended mill operations for 45 days. Raw cotton from the USSR aided the mills until the newly-harvested raw cotton became available.1
 - c. About 1,800,000 bales of cotton yarn were produced. An effort was made to produce low count yarn to meet the demand of the weaving industry in China.
 - d. About 27,000,000 bolts of cloth were produced. Because of military requirements, this was not adequate to care for civilian consumption, so about 30,000,000 yards of cloth were imported from the USSR to meet civilian needs and to stabilize the price of cotton yarn and cloth.
- 2. Future plans for the cotton textile industry are:
 - To acquire 10,000,000 additional spindles within the next ten years and to put 300,000 of them into operation during 1952. To acquire 800,000 additional looms during the next ten years and to put 12,000 of them into operation during 1952. The spindles and looms will be installed in Northwest China and efforts will be made to encourage and assist textile mills in coastal areas to move into the interior.
 - b. To improve the supply of raw cotton in 1952. On the basis of the 1951 production, there will be no serious shortage if all cotton produced can

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be purchased. The total production of raw cotton in 1952 may reach a total of 24,000,000 piculs.

- c. To import some cotton cloth from the USSR in 1952, and to export a small amount of 40 to 60 count cotton yarn.
- 1. Comment. According to information available to this office, all mills in Shanghai were closed for a period of six weeks in late August and September 1951 because of a shortage of raw materials. The USSR supplied China with 40,000 bales of cotton in 1951.

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